

Connecticut State Board of Accountancy
May 1, 2007
Minutes

Chairman Reynolds called the meeting to order at 8:31 A.M. in the second floor conference room, 30 Trinity Street, Hartford, Connecticut.

Present:

Thomas F. Reynolds, CPA, Chairman
Richard P. Bond
James S. Ciarcia
Philip J. DeCaprio Jr., CPA
Richard H. Gesseck, CPA
Leonard M. Romaniello, Jr., CPA
Richard L. Sturdevant
Michael Weinshel, CPA

Staff Members Present:

David L. Guay, Executive Director
Rebecca E. Adams, Esquire, Board Counsel
Stephanie Sheff, Processing Technician
Angel D. Acevedo, Office Assistant

Motion made by Michael Weinshel and seconded by Philip DeCaprio to accept and approve the Minutes of the April 2, 2007 State Board of Accountancy meeting.

Voting in favor:

Thomas F. Reynolds
Richard P. Bond
James S. Ciarcia
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello
Richard L. Sturdevant
Michael Weinshel

-No votes against and no abstentions.

In a review of Board operations Executive Director Guay briefed the Board on the operations of the Board by providing a written summary.

May 1, 2007 Executive Director's Operations Update and Review:

Licensing Database

- Highest priority special project
- Continuing testing, slow deliberate work being performed between picking up licensing slack
- Still waiting to test updates to licensing back end

Monthly Licensing

- Processing procedures and standards being re-developed and captured
- Contacted applicants with dormant applications
- Shifted resources to cover Stephanie's absence
- Moving to a more proactive approach
- New Assignments
 - Stephanie primarily licensing
 - Angel – interstate transfer and good standing requests
 - Angel – CPA Certificate production
 - Angel – CPA Exam (fee processing & grade management)

Peer Review

- Data files updated in renewal process
- Currently processing backlog of reports received based upon our inquiries
- Large project, as of April 25, 2007 we still have approximately four hundred firm filings to review and post

Website

- Have begun upgrade effort
 - New front page
 - Updated meeting dates page
 - Interim reciprocity page posted

Business continuity & pandemic planning

- Placed on the back burner for the moment

Regulation Project and Effort

- On back burner while I review the on line system, I still need to complete research and draft suggestion for experience
- Need to continue monthly review in conjunction with CSCPA Study
- PA Regulation has completed exposure period

Records Retention Effort

- Enforcement Records – planning what to do next
- CPA Exam Grade cards, continuing with scanning
- Planning for scanning of minutes with originals to the State Archives
- Planning purchase of individual printers with scanners for electronic document retention
- Download from NASBA of grades still needs to be planned and accomplished
- Cabinets have been rearranged, and a few disposed of, and new shelving purchase completed and installed

- Significant paper files still to review and dispose
- Designing electronic records retention policy and procedures

Next Certificate Ceremony

- May 16, 2007 covering November 2006 – April 2007 Certificates
- March and April Certificates are at the calligrapher and hopefully on your desk for the meeting
- 97 Reciprocal Certificates from November, December, January and February completed and shipped this week

2007 Legislative Session

- Education Bill has passed
- Issue of the Exam Fee Statute is still alive
- Budget reported out of the Appropriations committee

100th Anniversary of the State Board - August 2007

- Possible special ceremony at the August 7, 2007 meeting
 - Press invite – suggested story
 - Governor asked to attend and address the Board
 - Proclamation

IT

- Last of the old PCs being disposed
- Blackberry's purchased for Rebecca and David
 - New Blackberry cell phone number for David 860-372-8047
 - New Blackberry cell phone number for Rebecca 860-372-8325

Briefing of Legislative Progress:

Public Act 07-07 was recently passed by the Connecticut General Assembly and signed by Governor Rell on April 26, 2007. Public Act 07-07 is a law which changes the education requirement for qualifying to take the Uniform CPA Examination in Connecticut:

An applicant may apply to take the examination if such a person holds a baccalaureate degree, or its equivalent, conferred by a college or university acceptable to the board, with an accounting concentration or equivalent, as determined by the board by regulation to be appropriate.

The Connecticut Board of Accountancy is immediately seeking adoption of Regulations by the Connecticut General Assembly which define an accounting concentration or equivalent as required by the new law.

The process of seeking adoption of Regulations is not quick and with the passage of Public Act 07-07 the old education requirement has been abolished and until new Regulations are in place no new applications for the Uniform CPA Examination can be processed.

Director Guay provided the Board with a draft regulation which defines the accounting concentration for a possible new education requirement:

An applicant shall be a graduate of an accredited college with a degree of bachelor. The college shall be accredited by the regional accrediting commission subscribing to the national policies and procedures established by the federation of regional accrediting commissions of higher education; or a college of equivalent accreditation as determined by the Connecticut State Board of Accountancy. The candidate shall have received credit for at least 46 semester hours from such an accredited college in the study of accounting and related subjects, including, but not limited to business law, economics, and finance; of which at least twenty-four semester hours shall be in the study of accounting.

Motion was set forth by Michael Weinschel and seconded by Philip DeCaprio to approve the proposed education requirement regulation to sit for the Uniform CPA Exam.

Voting in favor:

Thomas F. Reynolds
Richard P. Bond
James S. Ciarcia
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello
Richard L. Sturdevant
Michael Weinschel

-No votes against and no abstentions.

Motion made by Philip DeCaprio and seconded by Jim Ciarcia to approve the May 1, 2007 list of individual applications for CPA Certificate, Registrations and CPA Licenses.

Voting in favor:

Thomas F. Reynolds
Richard P. Bond
James S. Ciarcia
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello
Richard L. Sturdevant
Michael Weinschel

-No votes against and no abstentions.

Motion made by Philip DeCaprio and seconded by Chairman Reynolds to table candidate Netsai J. Zvovushe's CPA License Application for the May 29, 2007 Board Meeting so that she could submit supporting documentation.

Voting in favor:

Thomas F. Reynolds
Richard P. Bond
James S. Ciarcia
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello
Richard L. Sturdevant
Michael Weinschel

-No votes against and no abstentions.

Motion made by Philip DeCaprio and seconded by James Ciarcia to approve the May 1, 2007 list of Firm Permit to Practice applications.

Voting in favor:

Thomas F. Reynolds
Richard P. Bond
James S. Ciarcia
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello
Richard L. Sturdevant
Michael Weinschel

-No votes against and no abstentions.

May 1, 2007 Enforcement:

A. Proposed Settlements

1. Late CPE

<u>Last Name</u>	<u>License</u>
Angotta	7211
Buffington	7580
Delicandro	8574
Dumas	3853
Ebersold	8691
Jakubec	2734
Kolin	12470
Laconte	4368
Picardi	3609
Rinehimer	11203
Sioles	1943

Attorney Adams recommended settlement for \$100.

Motion made by Philip DeCaprio and seconded by James Ciarcia to accept Attorney Adams recommended settlements of \$100 for reporting late CPE.

Voting in favor:

Thomas F. Reynolds
Richard P. Bond
James S. Ciarcia
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello
Richard L. Sturdevant
Michael Weinschel

-No votes against and no abstentions.

2. Late Renewal/Reinstatement

Daniel Wallgrove, License Number 10347- Failure to apply for renewal until April 2007

Attorney Adams recommended settlement for \$500 with reinstatement effective January 1, 2007.

Motion made by James Ciarcia and seconded by Leonard Romaniello to accept Attorney Adams proposed settlement of \$500 with reinstatement effective January 1, 2007.

Voting in favor:

Thomas F. Reynolds
Richard P. Bond
James S. Ciarcia
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello
Richard L. Sturdevant
Michael Weinschel

No abstentions and no votes against.

3. QUALITY REVIEW

2006025-2925 George Riggs- Failure to undergo Quality Review

Attorney Adams recommended settlement for \$500 (\$250 per year of violation).

Motion made by Richard Sturdevant and seconded by Leonard Romaniello to approve settlement recommendation in the matter of 2006025-2925 George Riggs.

Voting in favor:

Thomas F. Reynolds
Richard P. Bond
James S. Ciarcia
Philip J. DeCaprio
Richard H. Gesseck
Leonard M. Romaniello
Richard L. Sturdevant
Michael Weinschel

-No abstentions and no votes against.

ATTORNEY ADAMS BRIEFED THE BOARD:

1. STATUTES AND REGULATIONS

1. Examination Fee Legislation
2. Examination Fee Regulations
3. Educational Requirement Legislation
4. Educational Requirement Regulations

2. KPMG Cases : Settlements And Recommendations

KPMG, Tax Shelters
Jay Smolin, Tax Shelters
KPMG, Xerox
Individual defendants, Xerox

Under public comment:

Arthur Renner, Executive Director of Connecticut Society of CPA's, spoke about the Society's upcoming midyear conference and the CPA Certificate Award Ceremony on May 16, 2007.

Andrew Rossman, Professor at the University of Connecticut, briefly addressed the Board.

John Palmeri, President Elect of the Society, also spoke briefly.

A motion to adjourn the meeting was made by Richard Bond and seconded by Leonard Romaniello, all voted in favor. Board was adjourned at 11: 06 A.M.